GOVERNMENT OF INDIA
SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA

UNSTARRED QUESTION NO:4954
ANSWERED ON:20.12.2000
NON-UTILISAION OF FOREIGN AID
RAMDAS ATHAWALE

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned `videshi karz ka poora istemal nahin kar pane per Kendra see jawab talab` appearing in the Hindi daily `Jansatta` dated September 29, 2000;

(b) if so, the details and fact thereof;

(c) whether it is a fact that a very heavy amount in the form of commitment charges at the rate of one per cent had to be paid;

(d) if so, the details thereof and the reasons therefor; and

(e) the action being taken or likely to be taken by the Union Government in this regard?

Answer

MINISTER OF STATE OF THE MINISTRY OF SOCIAL JUSTICE AND POWERMENT (SMT. MANEKA GANDHI)

(a)&(b) A PIL has been filed in Delhi High Court regardingpayment of commitment charges on foreign aid but the admissibility of the same is yet to be decided.

(c) The commitment charges may go up to 0.75% on undisbursed aid and vary from case to case.

(d) Since projects are implemented over a period of time, there is at any given point of time, an inevitable stock of undisbursed funds. The details of commitment charges paid to the various donors is Annexed.

(e) Some of the steps taken by the Government to improve aid utilization are ensuring adequate provisioning for externally aided projects, streamlining of procurement procedures, disintermediation on flow of external aid to Central Public Sector Undertakings, setting up of a Project Management Unit in the department of Economic Affairs, strengtheningProject management Units/Project Monitoring Cells in nine states and five central ministries, regular review of projects with respect of quality at entry.

Annexure

Annexure referred to in part `d` of Lok Sabha Unstarred Question No.4954 for 20.11.2000 regarding non-utilisation of foreign aid.

Commitment charges
(Rs. in crores)

S.No.	Name of Institution	1997-98	1998-99	1999-2000
1.	ADB	25.74	22.83	15.72
2.	I.B.R.D.	22.06	23.89	25.33
3.	I.D.A.	Nil	Nil	Nil
4.	FRANCE	0.25	0.21	0.36
5.	GERMANY	1.60	0.66	0.37
6.	NETHERLAND	Nil	Nil	Nil
7	SPAIN	Nil	Nil	Nil
8.	SWEDEEN	Nil	Nil	Nil
	TOTAL	49.65	47.59	41.78